



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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July 13, 1994

Mr. Michael D. Terry
Gold Trek Incorporated
P.O. Box 369
Loa, Utah 84747

Re: Notice of Intention to Commence Small Mining Operations, Pyserts Cabin Placer Mining Project, S/017/033, Garfield County, Utah

Dear Mr. Terry:

On June 17, 1994, the BLM Henry Mountain Resource Area, forwarded a copy of Gold Trek Inc.'s, Notice to commence placer mining operations on the Pyserts Cabin Project, located in Section 26, T31S, R11E, Garfield County, Utah. The BLM's designated number for this project is UTU-71608.

This letter is to inform you that the Division has evaluated the Notice for completeness. We have found that it meets the requirements of Rule R647-3 of the 1988 Division of Oil, Gas and Mining Minerals Rules, and Title 40-8, et seq., of the Utah Mined Land Reclamation Act of 1975. Because you propose to disturb five or less surface acres, it has been categorized as a small mining operation at this time. A reclamation surety is not required for a small mining operation. Should you choose to enlarge your operation beyond 5 acres (which includes new or upgraded roads, processing, storage and stockpile areas, etc.), a Large Mining Notice of Intention will need to be completed and approved by this Division before exceeding the 5 acre threshold. A reclamation surety is also required for a Large Mining Operation. The permitting process for a large mine may take 6 months or longer to complete. Please contact us well in advance of any anticipated need to expand beyond 5 acres, so we may initiate the large mine permitting process in a timely manner.

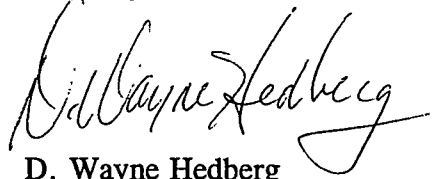
Because your placer mining operation may directly affect/impact a stream channel, there is a possibility that you may need to acquire a Stream Channel Alteration Permit from the Utah Division of Water Rights. We will forward a copy of your notice to their office for confirmation. For further information or clarification in this matter, you may want to contact Mr. James Wells of the Dam Safety section, at (801) 538-7374.



Page 2
Michael D. Terry
S/017/033
July 13, 1994

Best of luck with your mining venture. When in the area, we will inspect the site to assure operations are being conducted in accordance with the interpretive rules of the Utah Mined Land Reclamation Act. We have enclosed a copy of our Minerals Rules for your information and future reference. Please reference our designated file number S/017/033 when forwarding additional information or correspondence on this project to us.

Sincerely,

A handwritten signature in dark ink, appearing to read "D. Wayne Hedberg". The signature is fluid and cursive, with the first name "D." and last name "Hedberg" clearly distinguishable.

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb
Enclosure
cc: Roger L. Bon, UGS
Frank "Buzz" Rakow, BLM, Henry Mtn. RA
Jim Wells, DWR, w/NOI
Minerals File
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